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Chair: Mr. John Williamson

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• (1530)

[English]

The Chair (Mr. John Williamson (New Brunswick Southwest, CPC)): Good afternoon.

[Translation]

I call this meeting to order.

Welcome to meeting number 114 of the House of Commons Standing Committee on Public Accounts.

[English]

Today's meeting is taking place in a hybrid format, although I believe we have all the witnesses in the room today, and all members are in the room

Pursuant to the Standing Orders, members are attending in person in the room and remotely by using the Zoom application—but alas, they are not, since everyone is here.

I remind everyone that all comments should be addressed to the chair.

[Translation]

Pursuant to Standing Order 108(3)(g), the committee is resuming consideration of report 2 of the 2024 reports 2 to 4 of the Auditor General of Canada, entitled "Housing in First Nations Communities" and referred to the committee on Tuesday, March 19, 2024.

[English]

I'd like to welcome our witnesses. We have a full house today.

From the Office of the Auditor General, we have Karen Hogan, Auditor General of Canada. With Ms. Hogan is Glenn Wheeler, principal, and Doreen Deveen, director.

It's nice to see you all today.

From the Canada Mortgage and Housing Corporation, we have Michel Tremblay, acting president and chief executive officer, and Morley Linstead, director, housing solutions—indigenous and the North.

It's nice to have you all here today.

From the Department of Indigenous Services, we have Gina Wilson, deputy minister; Joanne Wilkinson, senior assistant deputy minister, regional operations sector; Nelson Barbosa, director general, regional operations; and Dr. Tom Wong, chief medical officer of public health, first nations and Inuit health branch.

Thank you all for being here.

As is customary, we're going to begin with opening remarks from each of our witnesses.

Ms. Hogan, you will begin with five minutes. Go ahead, please.

[Translation]

Ms. Karen Hogan (Auditor General of Canada, Office of the Auditor General): Mr. Chair, thank you for giving us the opportunity to discuss our report, "Housing in First Nations Communities," tabled in Parliament on March 19, 2024.

I want to begin by acknowledging that we are gathered on the traditional unceded territory of the Algonquin Anishinaabe people. This area is also known as Ottawa. I express my gratitude and respect to Indigenous peoples who contributed to shaping and safeguarding the beautiful lands they call home throughout Canada.

Joining me today are Glenn Wheeler, the principal responsible for the audit, and Doreen Deveen, the director who led the audit team.

Many people living in First Nations communities do not have access to housing that is safe and in good condition. Overall, we found that Indigenous Services Canada and the Canada Mortgage and Housing Corporation made little progress in supporting First Nations to improve housing conditions in their communities.

Indigenous Services Canada and the Canada Mortgage and Housing Corporation are responsible for working with First Nations to meet their housing needs by 2030. Although \$4 billion was spent over the past five years to build new homes, repair existing ones and increase First Nations' capacity to manage housing, we found that in 2023, 80% of needs were still not met. The percentage of homes that need major repairs or replacement remains largely unchanged, despite the spending that went into building and repairing homes. In 2021, the Assembly of First Nations estimated that \$44 billion was needed to improve housing in First Nations communities, and needs continue to grow.

We found that the Department and the Corporation had not prioritized communities with the greatest needs. First Nations communities with the poorest housing conditions received less funding than communities of the same size with better housing conditions.

• (1535)

[English]

Mould in first nations homes is a long-standing health hazard. We found that Indigenous Services Canada and the Canada Mortgage and Housing Corporation still did not know the magnitude of the problem. In fact, the department and the corporation are currently not following the strategy that they developed in 2008 to address this problem, and neither could explain why this strategy is no longer used. There is no plan in place to tackle this issue.

This is the fourth time since 2003 that we are ringing an alarm bell about unsafe and unsuitable housing in first nations communities. Adequate housing is a basic human need. After four audit reports, I can honestly say that I am completely discouraged that so little has changed and that so many first nations individuals and families continue to live in substandard homes.

Time after time, whether in housing, policing, safe drinking water or other critical areas, our audits of federal programs to support Canada's indigenous peoples reveal a distressing and persistent pattern of failure. The lack of progress clearly demonstrates that the government's passive and siloed approach is ineffective and in fact contradicts the spirit of true reconciliation. A fundamental shift is urgently needed to drive significant progress in providing proper support to indigenous families and communities across the country, especially those most in need who are currently too often left behind.

While the government is at the early stages of transferring its responsibilities for housing to first nations, unless the department and corporation tackle meaningful action to address the issues we have identified, it is unclear if the transfer will be successful.

It is important to understand that these are not legacy issues that live in the past; they are ongoing and perpetual, with direct consequences that people experience on a daily basis, and they stand in contradiction to Canada's commitments to truth and reconciliation.

We made eight recommendations to improve the government's delivery of housing programs to first nations communities. We are concerned that Indigenous Services Canada and the Canada Mortgage and Housing Corporation only partially agreed with our recommendation that they work with communities with the poorest housing conditions to ensure that they receive the support they need to improve their housing conditions.

Mr. Chair, this concludes my opening remarks. We would be pleased to answer any questions the committee members may have.

Thank you.

The Chair: Thank you, Ms. Hogan, for those comments.

I'll now turn it over to the Canada Mortgage and Housing Corporation.

Mr. Tremblay, you have the floor for about five minutes.

Mr. Michel Tremblay (Acting President and Chief Executive Officer, Canada Mortgage and Housing Corporation): Thank you, Mr. Chair.

Before I begin, I would like to acknowledge that we're meeting on the traditional unceded territory of the Algonquin Anishinabe people.

For over 75 years, the Canada Mortgage and Housing Corporation has been helping Canadians to meet their housing needs and improve their quality of life. We've seen first-hand that having a safe and affordable home is essential for first nations people to build the lives that they want for themselves, their families and their communities. It's a key step in a journey towards reconciliation

We know there's more work to be done to achieve this, and we're committed to working with partners to make this a reality. That's why we welcome the "Housing in First Nations Communities" report. It reinforces the importance of prioritizing first nations housing. It guides us to concentrate on the crucial issues that will help us effectively tackle this persistent issue by working closely with first nations.

[Translation]

We agree with the recommendations in the report. They are closely aligned with work already underway, and we have responded with clear plans on how to address them.

Since 2016, the Government of Canada has significantly invested in housing stock and repairs.

This includes the long-standing CMHC programs mentioned in the Auditor General's report, specifically the Residential Rehabilitation Assistance Program and the On-Reserve Non-Profit Rental Housing Program, also known as Section 95. These provide funding assistance to renovate and construct homes for First Nations living on reserve.

The federal funding also includes on-reserve investments made through National Housing Strategy programs that CMHC delivers, such as the Rapid Housing Initiative, The Affordable Housing Fund and the Housing Accelerator Fund, among others. As of December 31, 2023, funding through the National Housing Strategy has helped First Nations to build, renovate and retrofit close to 34,000 homes on reserves, with 22,000 of them already completed.

In addition, we're delivering on the Indigenous Shelters and Transitional Housing Initiative. For this program, we collaborated with Indigenous Services Canada and Indigenous partners to help First Nations communities to build safe shelter spaces for survivors of gender-based violence.

We recognize that significant strides have been made but that, as the Auditor General of Canada's report notes, there is still a lot more work to do.

(1540)

[English]

There remain major disparities between the housing conditions of indigenous and non-indigenous communities in Canada, especially on reserve. Historical treatment of indigenous peoples, persistent racism, decades of underinvestment, rising construction costs, climate change, and overcrowding and population growth: These are all factors that have led to the current housing gap for first nations living on reserve.

While we are committing to doing more, we also recognize that solving the housing challenges of first nation communities is not something that the federal government can or should do on its own. First nations communities are diverse, and so are their housing needs. Their leadership, communities and organizations understand those needs best and how best to meet them. That's why we are changing the way we address housing when it comes to first nations communities.

As you may know, the Assembly of First Nations, the chiefs committee on housing and infrastructure, Indigenous Services Canada, CMHC and Infrastructure Canada all worked together to develop the national first nations housing and related infrastructure strategy. This distinction-based strategy includes funding for new construction and repairs, but it also addresses the need for sufficient, predictable and sustainable funding so that care, control and management of housing can transition to first nations.

We have also been working with indigenous partners on an urban, rural and northern indigenous housing strategy that is set to be implemented in 2024-25.

As we carry out our plans to address the Auditor General's report, we will continue to work closely with Indigenous Services Canada and other federal partners, first nations partners, home builders, financiers and community housing providers.

Thank you for the opportunity to speak on this matter, Mr. Chair. We are happy to take any questions from the committee.

The Chair: Thank you, Mr. Tremblay.

Last but not least, we have the Department of Indigenous Services. Ms. Wilson, you have the floor for about five minutes.

Ms. Gina Wilson (Deputy Minister, Department of Indigenous Services): Kwey. Hello. Bonjour.

I'm pleased to be gathered here on the traditional territory of the Algonquin Anishinabe people—the land of my ancestors, the land of current-day relatives—along with colleagues who are from the Office of the Auditor General, CMHC and here at ISC.

[Translation]

To begin, I'd like to thank the Auditor General of Canada for her report, "Housing in First Nations Communities." We all agree that safe and suitable housing is foundational to ensuring First Nations are able to thrive. We are currently working to address and implement the recommendations made in the spirit of true partnership and self-determination that First Nations people want.

Indigenous Services Canada is aware of the substantial housing gap in First Nations communities, and is working to address the ongoing and profound impact of a lack of suitable housing. This is a complex issue that has spanned generations.

[English]

As the audit points out, in 2021 the Assembly of First Nations estimated the cost of closing this gap at \$44 billion. It's a daunting number, but the first step to meeting needs is to understand them. In line with this, ISC is working in close collaboration with first nations to better understand their priorities.

The government cannot and should not do this work without the partnership of first nations. With the UN Declaration on the Rights of Indigenous Peoples Act, we committed to not repeating the wrongs of the past—to not dictate what should be done in first nations communities but rather to listen to and support their leadership in advancing the vision and priorities they set for themselves.

Since 2016, almost \$4 billion has been committed through our department. With this funding, and additional funding from CMHC, first nations are incrementally building and renovating nearly 34,000 homes. However, we know there is still more work to be done.

• (1545)

[Translation]

My colleague referred to the First Nations National Housing and Related Infrastructure Strategy.

[English]

This strategy was formed with input from rights holders from coast to coast to coast, who told us that a flexible funding model was a priority. This strategy serves as the foundation of ISC's housing policy and has shaped how we support rights holders and self-determination.

Currently, we have a housing program that is not prescriptive: Communities can use funds to build homes, renovate spaces, clear mould, service lots and create new subdivisions as they see fit. Communities choose what their priorities are and how to spend funding in the ways that work best for them. This is a key step toward our goal of transferring housing and infrastructure services.

There are transfers like the recent framework agreement signed with the Confederacy of Mainland Mi'kmaq, or CMM. Once the transfer is complete, participating communities, in partnership with the CMM, will assume control of the design, management, provision and delivery of all housing and infrastructure programs and services currently under ISC's capital facilities and maintenance program.

These are markers of progress on the path to reconciliation. Partnerships like these are now helping us map a clear path forward to support the transfer of care and control of housing to where it belongs—with first nation governments.

To close, I would like to note that my department will work with the first nations on these recommendations from the Auditor General's report. We have already started work to address them with our partners. We'll start through our preliminary action plan. We are calling it "preliminary" because of the importance we place on working with first nations. We intend to co-develop a final action plan with them, especially with the Assembly of First Nations. This work will be embedded in our broader multi-year planning exercises with them.

[Translation]

Indigenous Services Canada will continue to support First Nations as they undertake the complex and generational work of building homes that meet the needs of their growing communities.

[English]

Thank you for having me. I'm happy to take your questions.

Meegwetch.

The Chair: Thank you very much.

We'll turn now to our first round of questions. Four members will each have a six-minute slot.

Mr. McCauley, it's good to see you back. You have the floor for six minutes, please.

Mr. Kelly McCauley (Edmonton West, CPC): Thanks, Chair.

AG Hogan, thank you for another depressing and dismal report.

I want to start by quoting the AG's opening comments from the emergency services report, which was equally as dismal.

She stated that Sheila Fraser, the former AG, "summed up her impression of the [indigenous services department]'s actions after 10 years of audits [as]...'unacceptable'". Keep in mind that this was in 2011. She continued, referring to the Auditor General at the time and to 15 years after the original audit: "Five years later, my predecessor, Michael Ferguson, used the words 'beyond unacceptable'". AG Hogan herself then said, "We are now into decades of audits of programs and government commitments that have repeatedly failed to effectively serve Canada's indigenous peoples."

With regard to this report, the AG says, "This is the fourth time since 2003 that we have raised concerns about housing...and—20 years later—many of these concerns persist." Indigenous Services and CMHC "have made little progress" on improving first nations housing conditions.

When you were here with us, Ms. Wilson, for the emergency services disgrace—and I will use those words—I asked this question: Why should we not be calling for the termination of you and all the other executives from your department? There were repeated failures, repeated failures, and all we hear back is, "There's much more to do".

Ms. Gina Wilson: First nation housing shortages and over-crowding have been widely publicized for many years by me—

Mr. Kelly McCauley: Do you take any accountability for this?

Ms. Gina Wilson: We take responsibility for this program.

Mr. Kelly McCauley: Do you take any accountability or responsibility for this?

Ms. Gina Wilson: I take responsibility for this, yes.

Mr. Kelly McCauley: Let me ask you. I'm looking at your departmental results from last year and, to quote from the government site, departmental results "inform parliamentarians and Canadians of the results achieved by government organizations for Canadians".

Your department achieved 16.9% of your targets, and yet 94% of your executives, and I assume you, received an average of \$18,000 in bonuses for achieving less than 17% and two disastrous audits.

I'm looking at your DRRs, the results for percentage of first nations housing that is adequate as assessed and reported annually by first nations. You set a target of 75%. What was achieved is unspecified. The date to achieve that unspecified goal was March of last year, but no target was set.

Under "self-determined services", the target percentage of first nations housing that is adequate as assessed and reported by first nations is to be determined, but there is no target set. What is actually achieved is unspecified and the date to achieve the unspecified untargeted number is unspecified.

Under the housing program, the target for the percentage of first nations housing that is adequate as assessed and reported annually by first nations is 75%. What did we actually achieve? From your own department, reported through Treasury Board, it is unspecified. At least you set a date of March 2023 to achieve your unspecified results.

These are from your department's own targets set in your departmental plans, which I will read to you: The departmental plans "describe departmental priorities, strategic outcomes, programs, expected results and associated resource requirements."

You come to this committee and present estimates justifying the money that you're looking for based on these targets, yet you've set no targets, and you can't even measure the targets that you haven't set. Somehow, everyone got a bonus of \$18,000 when we have probably the two worst audits I've seen, and I've been through maybe 30 or 40 audits.

How do you sit here and not offer anything to us? When are we actually going to see that action? This goes back to 2001. I realize there is a minister responsible, but you are deputy minister. You could actually set results, and yet we don't even have targets.

How are we going to move forward with you still in this position? I don't have confidence that we're going to achieve anything that the AG is putting out with the current team here or the current minister either. How are we going to achieve this?

• (1550)

Ms. Gina Wilson: Mr. Chair, if I can, I'd like to talk about this for the next two hours and explain some of the context around this and actually explain some of the context around indicators and how we develop those indicators and co-develop them with first nation partners.

Mr. Kelly McCauley: Start with how you set those targets and achievables.

Ms. Gina Wilson: Actually-

Mr. Chad Collins (Hamilton East—Stoney Creek, Lib.): Mr. Chair, on a point of order, I get the fact that there's a question that's being asked, but I can't hear a word because the person who's asking the question keeps talking over the witness.

The Chair: Thank you. I can hear. I think there's going to be some give-and-take here. Let's not get to the point where it's unruly vet.

Mr. McCauley, do you want the floor back?

Mr. Kelly McCauley: I do want to take the floor back. It is my time.

The Chair: Okay, hold on.

Having said that, I do expect that there's going to be a bit of back-and-forth today. Members, of course, it is your time. You can use all that time, but if you do pose questions, if you're able to provide some time for responses, of course you will want to police that they are not answers that take too much of your time. I do appreciate that as well.

Mr. McCauley, you have 50 seconds left.

Mr. Kelly McCauley: I have two quick questions.

Justify to Canadians and this committee how 94% of the executives in your department received bonuses despite achieving 17%.

Tell us how it is that you have a departmental plan going forward without targets set or dates set on how you're going to achieve it, and you don't even know what you've achieved for the past year.

Ms. Gina Wilson: I can talk about executive bonuses.

Departmental plans set out broad, high-level program targets, and individual employees use specific criteria to provide individual commitments and key commitments. To draw a parallel between a broad departmental target not being met and an executive bonus just doesn't apply actually to the Treasury Board policy of how bonuses are provided. It doesn't.

I follow those policies of the employer, and others may have views about those policies.

The Chair: Thank you. That is your time.

We'll turn now to Ms. Yip. You have the floor for six minutes, please.

Ms. Jean Yip (Scarborough—Agincourt, Lib.): I'd like to thank the Auditor General and her team for this very thorough work on this audit.

It is very tragic that it is the fourth time since 2003 that your office has raised these same issues. It's no longer enough to accept recommendations; we need to see real action and accountability take place.

My first question is for Ms. Wilson. Mr. Tremblay, you can jump in as well.

Why were the formulas used by ISC and CMHC to allocate funding to regional offices based on 2001 census data?

• (1555)

Ms. Gina Wilson: We don't use outdated census data at Indigenous Services Canada.

Ms. Jean Yip: Mr. Tremblay, would you comment?

Mr. Michel Tremblay: The formula is based on a tripartite agreement we've reached with Indigenous Services Canada and the Assembly of First Nations. We have not changed the formula over the years.

Having said that, I will say that we are not going to unilaterally change that formula. You've seen that we've agreed in the report that we will look at it and work with our partners to come up with a new formula. We will not, in the spirit of reconciliation, unilaterally change the formula, so we will be working with our partners on that.

Ms. Jean Yip: I'm puzzled in terms of the allocation of funds, which favoured the first nations with the most resources and allowed them to submit better projects.

How did that happen? Why were communities that really needed the funding not addressed or prioritized first?

Mr. Michel Tremblay: I can reply.

In terms of the residential rehabilitation assistance program and the on-reserve non-profit rental program, which are the focus of the Auditor General's report, the allocation to provinces and regions are based on the formula you've mentioned. From there, it's first nations communities and tribal councils that decide the allocations. They are the ones making the call on what they consider priorities and needs in their communities.

We think that is totally appropriate; they know best what their communities need.

Ms. Gina Wilson: I would add that our analysis does demonstrate that we allocate and prioritize communities with the poorest conditions. We only partially accepted the Auditor General's recommendation there because we didn't agree with the methodology the AG used to come to the conclusion that first nations with the poorest housing conditions received the least funding.

It's a matter of methodologies and of different approaches. Ultimately, when we explore this again with our partners, we will defer to that process. We will happily bring the Auditor General's methodology and our methodology and any other options, and we'll develop that with first nations.

Ms. Jean Yip: Ms. Hogan, did you want to comment on that? **Ms. Karen Hogan:** I will ask Glenn to jump in for sure.

What we did was look at the communities that had 100 housing units or less, and when there were 75% or more homes in the community that they had self-assessed as in need of major repair, we put them in the poorest bucket. In the others, less than 75% of their houses needed to be replaced or needed major repair. When we look at the average overall in those communities, it was clear to us that those with the poorest conditions—those where more than 75% of their homes needed repair—received, on average, less funding than communities of similar size.

I don't know if there's more detail you would like that maybe Glenn could provide about our determination of that status.

Mr. Glenn Wheeler (Principal, Office of the Auditor General): Mr. Chair, to add to the Auditor General's point, the data we used was pulled from the department's community infrastructure and housing annual report. It was the department's own data on the state of housing in communities.

To add a broader point, I think this finding ties in nicely to our finding on capacity, which shows that smaller first nations often don't have the capacity to manage housing that larger first nations have. It ties into the importance of working with communities that do have greater needs to increase their capacity to manage housing.

Ms. Jean Yip: I also recall seeing in the report that a housing manager was provided for those with larger housing populations, rather than those with smaller communities and perhaps a greater need.

• (1600)

Ms. Gina Wilson: Chair, I can speak a bit about the housing subsidy program that we announced this year from budget 2022. It included \$157 million to support housing managers on reserve and \$66 million over three years, beginning this year, for training and certification in the provision of technical services.

I'm quite certain that those first nations housing managers will be trained and supported to fill out applications and reports as one of the functions of their jobs. We're optimistic that you'll see progress on that as it pertains to capacity, applications and so on for those with lower capacity.

There are differentiated levels of capacity in communities, for sure, and we see this as one way to address them.

Ms. Jean Yip: On that note, there's been a notable shift in the approach this government has taken compared to previous governments when it comes to programs and services for indigenous peoples. It's one more focused on self-determination.

Can you give us a sense of how this approach to housing investments and programming has changed since 2015? What are the next steps to further self-determination?

Mr. Nelson Barbosa (Director General, Regional Operations, Department of Indigenous Services): Thank you for the question.

I'd probably point to partnership as a response to that question. As it was noted in the Auditor General's report, we were proud to work with the Assembly of First Nations and all first nations on the establishment of and the adherence to the 2018 Assembly of First Nations housing and infrastructure strategy. That was developed in partnership with first nations, as were the application and the formula for the aforementioned housing management subsidy, which was done in partnership.

As Deputy Wilson mentioned in her opening remarks, ultimately the management of housing affairs is the purview and the right of first nations. We are proud supporters of first nations in those self-determined affairs, and we're an investor in those affairs. In the last fiscal year that ended just a few days ago, the department spent the most it ever has on infrastructure, and we are on track to spend more this year.

Absolutely, the need is great. Absolutely, we have work to do, and we thank the Auditor General for her report. However, I would say the most significant change that we've seen from 2015 is one of partnership and ensuring that the self-determined goals of first nations are led by first nations themselves.

The Chair: Thank you very much. That is the time.

[Translation]

I now give the floor to Ms. Sinclair-Desgagné for six minutes.

Ms. Nathalie Sinclair-Desgagné (Terrebonne, BQ): Thank you, Mr. Chair.

Thank you to all the witnesses.

Madame Auditor General, thank you for your very informative report.

Let's summarize the situation. Several billions of dollars were invested into Indigenous housing over the last few years, and yet there seems to be no results. That said, there's a slight improvement in terms of repairs. Since 2015-2016, the rate of housing requiring repair went down by one percentage point. As for the percentage of housing requiring replacement, in contrast, it went up by a percentage point during that same period. So, many people here, those listening and, above all, our friends among the First Nations, who are the most affected, are entitled to ask what this money was good for.

Fundamentally, if we have the humility and intellectual honesty needed to ask the right questions, we must reflect on the government's approach to resolving problems experienced by First Nations. At best, this approach seems lacking; at worst, it is harmful.

I would very much like for the deputy minister—whom I've been watching for a while—to tell me what she thinks about the approach used. I would like her to tell me if we can completely redefine the federal government's approach, from A-to-Z. That way, we could finally stop pumping in money that is doing no good whatsoever. We have to think of using an approach based on capacity building. This type of approach is in fact used in other areas, where it works better, and I will ask questions about that. I'm talking here about an approach where Indigenous people can build and finance their houses themselves. It might be a less colonialist approach.

I would very much like to hear Ms. Wilson's opinion on that.

• (1605)

Ms. Gina Wilson: It's not just a matter of additional funding to build more houses in First Nations communities.

There's greater openness to local First Nations owning their own homes. I would even say that, with the help of funding, more and more people living on reserve can afford part or all of the cost of a house.

There are indeed members of First Nations who need social housing, as is the case everywhere in the country, because their income isn't enough to become homeowners.

That said, funding infrastructure on reserve can also be useful.

Ms. Nathalie Sinclair-Desgagné: Ms. Wilson, my time is short, so I will specify that I was talking about completely redefining the federal government's approach. I wasn't talking about funding to access property ownership. We see that the situation is disastrous and hardly improving at all.

Ms. Gina Wilson: I'm always willing to hear recommendations, opinions and advice that could lead to changes or new policies.

Ms. Nathalie Sinclair-Desgagné: I agree that some opinions and advice can lead to small changes. However, what's needed now is a radical change in the federal government's approach.

Based on the numbers, Quebec is doing better. There may be potential solutions to consider there. Have you looked into them? There are some truly interesting potential solutions, like the national Yänonhchia' Indigenous Housing Finance Network, which works with the Native Commercial Credit Corporation, the McConnell Foundation, and other financial institutions so that Indigenous people can achieve home ownership, as well as build their own homes. Looking at the numbers, we see that it's working better in Quebec.

So, why not change the paradigm? We have to stop acting like the federal government is the benevolent head of the family who sends money to members of First Nations so that they can house themselves. The federal government should redefine its approach to leverage capacity building. That is what's needed.

Ms. Gina Wilson: I approve of your proposal and am inclined to receive suggestions leading to a transformation in collaboration with First Nations, the Assembly of First Nations, or other First Nations organizations. I am open to those ideas.

Ms. Nathalie Sinclair-Desgagné: Madame Auditor General, within the federal government, have you seen any real will to build First Nations' capacity or, as I was describing, do you instead see an approach where we invest a lot of money to little effect?

Ms. Karen Hogan: I will answer your question in two parts.

First, when we spoke with Indigenous communities during our audit, they very clearly told us that the commitment was improving, but there wasn't really any negotiation. They sometimes felt that the government came to the table with a firmly pre-established approach. Based on the current approach, they have to apply through multiple programs, and they find that very difficult. That's why creating the position of housing manager was essential.

Second, the government's current policies and practices in relation to Indigenous people were in place before making certain commitments regarding reconciliation, as well as those included in the United Nations program. If these policies and practices do not change, it's very difficult for the government to say it will now take on new commitments.

That is why I am therefore asking for the implementation of a fundamentally different approach to Indigenous people. We have to stop telling them that programs exist for them, and that all they have to do is express their needs and send their applications via these programs. It is truly necessary to implement a different approach.

The Chair: Thank you very much.

[English]

Next we have Mr. Desjarlais for six minutes, please.

Mr. Blake Desjarlais (Edmonton Griesbach, NDP): Thank you very much, Mr. Chair.

As many members of the team that's present here today know, for the better part of my time in Parliament I've been disappointed with what I have noticed to be a very real and very serious level of neglect for first nations, Métis and Inuit people.

To be very frank, I'm horrified and disgusted with some of the answers presented today, such as using indigenous people's very valid and legitimate right to self-determination as an excuse to not update a funding formula, something as basic as that. You wouldn't imagine a first nation out there that would oppose such an update. What first nation out there would oppose the updating of a formula that would give them more money for the critical needs they have?

For that excuse, Mr. Tremblay, I cannot accept that a government would act that way. One of the most nefarious and deceitful things a bureaucracy could do to hurt a population is to simply suggest that a trilateral discussion was had and it required the consent of all parties in order to update a funding formula. My goodness—that is structural racism. When we speak about structural racism, that's how it looks.

Communities where I'm from in Alberta are so dramatically underfunded that they receive only \$19 million for housing while the Auditor General points out very rightly that if the formula were simply updated, if someone just took a look, they would say, "You know what? There is an emergency with respect to housing in first nations communities." We all acknowledge that.

This is an easy tool we can use. Not even the low-hanging fruit was an option for CMHC or for Indigenous Services Canada. I'm heartbroken. I'm absolutely heartbroken by this tragedy that first nations have to continuously be blamed for their own housing needs continues to unfold in Canada. I've reviewed the departmental plan submitted to this committee in relation to this study, and it simply suggests that the United Nations Declaration on the Rights of Indigenous Peoples suggests that these people have the right to self-determination. That right to self-determination right now is being abused in order to justify the material losses of first nations, Métis and Inuit people. That's simply unacceptable.

I know that at the end of this committee meeting, just as I said at the last committee meeting, you're all going to go back and it's going to be business as usual, and the AFN will continue to raise the alarm.

You spoke about self-determination. I want to thank the Steering Committee on Technical Services Advisory Group for Treaty 6, Treaty 7 and Treaty 8 in the Alberta region, who have asked me to plead and to demand answers and accountability for these really basic levels of what I believe is extreme racism.

The minister was mandated to develop a strategy to close the infrastructure gap by 2030. I believe you mentioned that report from 2018 and suggested that it was co-developed. I accept that point. However, I understand that 2030 is only six years away. These nations on part of Treaty 6, Treaty 7 and Treaty 8 territories want to know how Canada is intending to fund closing the gap that exists by 2030. They want to know how. They have no confidence in their ability to work with the government to get these things done. The AG has said it will be nearly impossible to close the gap by 2030.

In addition to that, by 2040, the AFN tells me, that number will have increased. They've cited that by 2040 that gap will actually have increased to \$527.9 billion. This comes from the very same people you've cited as being your co-development partners.

It's shameful. It's unbelievable that you would attempt to mislead this committee about the true intentions of your partners. A good partner would not have done to them what they have experienced.

Mr. Tremblay, we'll start with the funding formula.

How can you justify not updating the formula when you know that the honour of the Crown disposes the government to act in the utmost of good faith toward their partners?

● (1610)

Mr. Michel Tremblay: Chair, as I said, the agreement is between the Assembly of First Nations and Indigenous Services Canada and CMHC.

I will point out that there is just a set amount of funding as well. If the formula is changed, there will be winners and losers. The set dollar amount will still be the same.

Again, we are committed to continuing the work. As we said—

Mr. Blake Desjarlais: Will you update the formula?

Mr. Michel Tremblay: We did mention in the report that we are working with our partners to update the formula, yes.

Mr. Blake Desjarlais: Thank you.

That was an incredibly simple question, and I can't believe I had to ask that question.

In relation to the Indigenous Service devolution process, does ISC recognize that the devolution process itself can in fact be harmful?

Should there not be an agency, whether it's the first nation or the department, that's able to actually monitor the material loss or material gain to the communities during devolvement?

• (1615)

Ms. Gina Wilson: That's an institution I'd be more than willing to hear more about. I'm not aware of the particular agency that—

Mr. Blake Desjarlais: Your agency is set to devolve.

Ms. Gina Wilson: You're talking about ISC devolving and transferring.

Mr. Blake Desjarlais: Yes, and there's a loss of material wealth during that process. How do you explain that?

Ms. Gina Wilson: You are saying, "loss of material wealth". I'm sorry, but I don't understand the question.

The Chair: Mr. Desjarlais, you can ask it again.

Mr. Blake Desjarlais: They're losing money, because they've been asked to sign agreements that look at devolution. They have lost the opportunity to have ISC, formerly INAC, continue to monitor their lost houses.

Do you know what I'm saying? There's a gap there, and that's why the gap is growing. It's because of devolvement.

Ms. Gina Wilson: I get your question now, but I think we'll need more time to respond to it.

Mr. Blake Desjarlais: Of course. **The Chair:** Do you have a response?

Ms. Gina Wilson: Yes.

The Chair: Go ahead. I have a practice at this committee that if members get their questions in before the time allotment, I do tend to allow witnesses to answer within reason, obviously. I try not to cut members off.

Ms. Gina Wilson: We have some good examples of where we can do that. I will ask Nelson to respond.

Mr. Nelson Barbosa: In terms of transfers, we don't call it devolution; we call it a transfer. In Indigenous Services Canada, it's baked into the mandate of the department as part of the legislation.

Currently, we have 13 active tables around transfers. These are tables that are dictated and mandated by rights holders themselves. That process begins with assessing the gap, much like the work that we did with the AFN in determining what the gap was in the report you cited earlier.

The example that we often refer to, and one that we've talked about at this committee before, is the Atlantic First Nations Water Authority. That was a partnership to understand the water needs of Atlantic first nations, the regulatory gap and the funding needed. There was direct funding support to the Atlantic First Nations Water Authority to the tune of \$173 million in recognition of that work.

I wouldn't say that a transfer is about a way of exacerbating the gap. To your point, I think it's about—

Mr. Blake Desjarlais: Cherry-picking some of these examples is not appropriate.

The Chair: Mr. Desjarlais, you know the other side of my rule.

Mr. Blake Desjarlais: No. I understand the rule, Chair, but I just can't accept that.

The Chair: If you ask a question after the allotted time, I tend to end things, but I suspect this line will be picked up by other members here, so I'm going to end it there.

I will begin our second round.

Mr. Viersen, you have the floor for five minutes, please.

Mr. Arnold Viersen (Peace River—Westlock, CPC): Thank you, Mr. Chair, and I want to thank the witnesses for being here.

Minister Hajdu likes to blame previous governments for a lot of the failures, but two years ago, in 2022, she said:

Unfortunately, successive governments have not prioritized housing for indigenous peoples. As a result, indigenous peoples are more likely to live in over-

crowded homes and experience higher rates of all kinds of challenges, including mould and other poor housing conditions.

That was just about exactly two years ago.

In the Auditor General's report, we heard that the mould strategy seems to be completely forgotten, completely abandoned. However, the minister seemed to know about it at least two years ago.

Could ISC explain why there's no action happening on the mould front, and why they don't seem to be worried about it?

Ms. Gina Wilson: There is action on mould, and there was a mould strategy. It was replaced by the current programming, which does allow for mould remediation. Mould remediation is under way, and Dr. Wong can talk about some of the efforts there.

We've seen that it was preferable, in the spirit of self-determination, to direct the funding for mould directly to communities so that they could decide their own priorities.

Mr. Arnold Viersen: Was it ever communicated to the public that the mould strategy was being abandoned in lieu of something else?

Ms. Gina Wilson: It wasn't formally communicated to the public. It was worked through with first nations.

Mr. Arnold Viersen: It still shows up in your departmental plans. Are there any efforts to do something differently?

Dr. Tom Wong (Chief Medical Officer of Public Health, First Nations and Inuit Health Branch, Department of Indigenous Services): I will make my remarks first and then turn it over to Nelson Barbosa, my colleague, who's responsible for housing funding, repairs and remediation for mould.

Mould from a health standpoint is a major concern.

● (1620)

Mr. Arnold Viersen: I understand that, but I'm going to move on from that.

I'd like to go back to the Auditor General to ask if she could explain a little bit around.... Maybe I'm misunderstanding the change. Could she perhaps clarify? Did she understand that the program had been replaced by something else?

Ms. Karen Hogan: Our understanding when we were doing the audit was that no one could explain to us why the mould strategy wasn't being used anymore and that access to funding to deal with mould was part of a bigger, broader repairs program that exists there

This is an issue that my office raised in 2003, and we recommended the creation of the strategy. Strategy or no strategy, I think it comes back to understanding the magnitude of the mould issue, so that you understand the dollars needed and the support needed by communities in order to address it. Whether you don't have a strategy or you have something else, you still need to understand the magnitude, and I think it goes back to first not having the data to know the extent of the problem and then not having a plan, by whatever name you want to call it, to try to fund it and address it going forward.

Mr. Arnold Viersen: Okay.

How many employees does ISC that have dedicated to housing?

Ms. Gina Wilson: Let me get that data for you.

Mr. Nelson Barbosa: We can provide the committee with more specific numbers, but I can say that in budget 2022 Indigenous Services Canada received \$2.4 billion for programming related to housing remediation in first nations, and associated with that money was—

Mr. Arnold Viersen: You don't know how many employees.

Mr. Nelson Barbosa: I do. With that money, it was 77 employees. The \$2.4 billion equalled 77 employees.

Mr. Arnold Viersen: Okay.

Do you know how long it takes to build the average housing unit through ISC?

Mr. Nelson Barbosa: It can vary greatly. Typically, these happen seasonally, in the summer season, with links into winter roads. Typically, that happens within a year.

Mr. Arnold Viersen: Is that per unit? Does it take a whole year to produce one unit?

Mr. Nelson Barbosa: It varies greatly.

One unit is a measure of a geospatial home, but some houses are small, some are big, some take a year and some take longer. There are some that are prefab that happen immediately. Communities are using technology like 3-D printing, which makes it happen much faster. That is their prerogative.

Mr. Arnold Viersen: What number does ISC use for the population growth of the folks you service?

Ms. Gina Wilson: I'm sorry?

Mr. Arnold Viersen: What number for population growth are you using?

Mr. Nelson Barbosa: We use Statistics Canada data through the census, the most recent census data.

The Chair: Thank you very much. That is the time.

Ms. Bradford, you have the floor for five minutes, please.

Ms. Valerie Bradford (Kitchener South—Hespeler, Lib.): Thank you, Mr. Chair.

Thank you to the witnesses today.

This question is for both ISC and CMHC.

How often do your staff go out to inspect these sites to see the conditions and how the progress is coming along?

Ms. Gina Wilson: I would say that with our funding services officers who liaise quite daily with first nation communities, along with our regional housing managers and regional infrastructure staff, we're looking at a daily ongoing engagement. It is quite fluid, but that's very close.

Ms. Joanne Wilkinson (Senior Assistant Deputy Minister, Regional Operations Sector, Department of Indigenous Services): I could add that all of our contribution agreements that include this type of funding require final completion reports that are certified by a qualified inspector. We've been working with the First Nations National Building Officers Association to build that capacity, as well as to do training and those sorts of things.

Ms. Valerie Bradford: The AG's report identified that there was "[1]imited assurance of compliance with building code standards", that they "lacked the necessary supporting documentation" and that "CMHC did not require proof of building code compliance for housing repair programs". Why would that be?

Mr. Michel Tremblay: Actually, all of our programs on reserve that were subject to the audit do require an inspection to be done. For new construction, you also have to take into account that the period of the audit was during a global pandemic, when travel was restricted, so a 90% achievement is a very good rate, in our opinion

The other thing I would say is that first nation communities have no benefit in having non-standard or non-code-compliant repairs or new builds done.

I can pass you on to my colleague, who can give you additional information, if the chair allows.

Mr. Morley Linstead (Director, Housing Solutions - Indigenous and the North, Canada Mortgage and Housing Corporation): Thank you for the question.

Yes, for our programming, we have quite an extensive inspection process for all new builds and repairs, and the building inspectors that led to the 90% return rate on building code compliance for new construction are the same inspectors we use for inspections on repairs.

Our agreement with them requires that the repairs they are inspecting meet building code requirements. We have not, in a paper form, received that confirmation from them, but our contract with them requires that, so we do feel—and we will get that written confirmation going forward—that even though we didn't have that during the period of the auditor's report, we believe that all those repairs met building code standards.

• (1625)

Ms. Valerie Bradford: Going back to the mould problem, what are the underlying causes for mould? Why is it so prevalent? There must be an answer to that.

Ms. Gina Wilson: In this large country of Canada, which has many aspects of difficult weather that impact its housing stock, the issue of mould is more prominent in first nations communities due to the significant overcrowding that exists, as well as the harsh weather, particularly in remote and northern communities.

Ms. Valerie Bradford: You were talking earlier about the shift to focus more on self-determination. How has the shift to the first nations-led approach been playing out in the community, and are there any examples that come to mind that illustrate the difference now that the shift is taking place?

Ms. Joanne Wilkinson: Part of it is being a partner at the table, but being one of a number of partners, because there is no way that any one party can solve this issue alone.

We see lots of examples. In Alberta, we see Cenovus dedicating \$50 million to building housing in four first nations and two Métis communities that are located around its operations. ISC has helped support that project by providing over \$5 million to enable infrastructure in lot servicing, subdivision development, engineering supports and those types of things to enable those houses to be built.

It's in that type of partnership that we are supporting the nation in building those economic relationships with other parties and exploring monetization. The Chippewas of the Thames, for example, now have a mortgage program on reserve, as the deputy mentioned earlier, so that those who are interested in owning a home and entering into a mortgage relationship can do so, which has not traditionally been done on reserve.

There's a lot of groundbreaking work that is happening, while acknowledging, of course, that there is so much work left to do. We're trying to change that paradigm of funding going out 100% up front to do a build in, say, two months over the summer, and looking at ways to extend that and take advantage of the money markets and those types of things.

The Chair: Thank you. That is the time.

[Translation]

Ms. Sinclair-Desgagné, you have the floor for two and a half minutes.

Ms. Nathalie Sinclair-Desgagné: Thank you, Mr. Chair.

Madame Auditor General, in response to my last question, you confirmed that the approach needs to change completely. Before coming back to that point, I would like to ask you a question about funding.

In exhibit 2.5 of your report, I see a table showing that the funding provided for the next 15 years does not seem to align with the Indigenous population. I just want to understand what's going on. Do you know why everything is overfunded? Was this funding based on needs?

Ms. Karen Hogan: We included the table you referenced in the report to illustrate our conclusion, which was that the Canada Mort-

gage and Housing Corporation did not use updated census information. It did not take into account demographic changes happening all over the country over a period of about 20 years. That's why we outlined cases of underfunding and overfunding. It's actually due to erroneous formulas and information.

Ms. Nathalie Sinclair-Desgagné: Thank you, Ms. Hogan.

Mr. Tremblay, what is your answer to that? Why wasn't the latest census data used? Is there a logical explanation?

Mr. Michel Tremblay: As I already said, the formula in question is subject to a tripartite agreement between the Assembly of First Nations, Indigenous Services Canada and the CMHC. In our response to the Auditor General's report, we said that we would verify it and work to change the formula, but we will not do so unilaterally.

Ms. Nathalie Sinclair-Desgagné: Very well.

I will now come back to the necessary change in approach. I'd like to hear a bit more from Ms. Wilson on that. The Auditor General also confirmed that a radical change of approach is required.

Ms. Wilson, you are the deputy minister, and so you have a certain amount of power. Above all, you've had the leisure of occupying this position for several years, without having to win elections. That means you can think about Indigenous populations in the medium and long term. That means it's up to you to consider the complete paradigm change that is required. Will you do so?

• (1630

Ms. Gina Wilson: Thank you very much.

[English]

It has been about a year and a half that I have been in the position, but I certainly appreciate the question.

[Translation]

As I said, I am open to transformations. For example, I have great admiration for the efforts deployed by chief Lance Hayman and the Native Commercial Credit Corporation. The objective is to create on-reserve loan-granting initiatives. In my case, I have the means to buy my own home. People living on reserve have the means to pay a mortgage.

[English]

I think that home ownership on reserve by first nations people is something to explore.

I can afford a home, but I don't have the right financing tools. Financing tools are a hope. Not everyone agrees with that.

[Translation]

It may not be the most popular opinion, but it is mine.

The Chair: Thank you very much.

[English]

Mr. Desjarlais is next. You have the floor for two and a half minutes, please.

Mr. Blake Desjarlais: Thank you, Mr. Chair.

I'll begin with a quote: "They're asking us to take on liabilities that they create by chronic underfunding and leaving infrastructure on reserve to rot, and now they want us to take over with no commitments for ongoing operations and maintenance."

I'm sure you could probably guess who said that. Many would wonder, of course, which first nation it was. Almost any of them could make a very similar statement, I'm certain. However, this again comes from Treaty 6, Treaty 7 and Treaty 8, which you've cited as being partners toward reconciliation.

It's your responsibility to ensure the "transfer" of responsibility as Mr. Barbosa mentioned, rather than "devolution". However, this position you're taking is causing harm. I hope you understand that. The convenient excuse of taking a very legitimate expression of an indigenous nation's right to self-determination should not and must not result in the material loss to first nations communities, but that is the fact.

Even worse, the trust between ISC—the Crown—and indigenous people has gotten worse. They go on to suggest that they don't even know what the priorities of this government are. What are Canada's priorities for first nations? Is it housing on reserve? Is it eliminating drinking water advisories? Is it to prevent reoccurrences? Is it first nations infrastructure? They don't know, because you're not acting.

You're sitting on your hands, waiting for someone else to raise their hand and say that they need help. That isn't the approach that first nations deserve. That is not the approach that indigenous people in this country are entitled to.

They deserve a government that acknowledges its responsibility to the treaties, first and foremost. If you need an example of what transfer of responsibility looks like, look at the treaties of our ancestors, which made very clear how these things were to be done.

Instead of acknowledging the relationship that first nations people largely demanded of the Crown, the Indian Act and the Department of Indigenous Services Act have displaced much of that responsibility to your ministry. Now your ministry is saying that they can't take that responsibility until the first nations do specific things. What is it going to take to ensure that there is not only money but fair treatment and understanding of their concerns?

I'll start with Mr. Tremblay, particularly on the formula.

Mr. Michel Tremblay: Mr. Chair, the formula, as I mentioned, is part of our tripartite agreement. We've committed to reviewing it as a formalized part of the response to the Auditor General's report.

Mr. Blake Desjarlais: Why didn't you do that before?

The Chair: Mr. Desjarlais, your time is up. However, I think you wanted an answer from someone else.

Mr. Blake Desjarlais: I did, but can I get him to answer that?

The Chair: No, you're kind of in a catch-22 here. Mr. Blake Desjarlais: I'd like to hear from Ms. Wilson.

The Chair: You can come back to that, but we will hear from Ms. Wilson. I will meet you halfway.

Ms. Gina Wilson: Mr. Chair, we are certainly not taking the position to transfer programs and services if first nations are not well equipped, well supported and well funded to do so.

The Chair: Thank you very much.

Next up, we have Mr. Brock joining us. You have the floor for five minutes, please.

Mr. Larry Brock (Brantford-Brant, CPC): Thank you,

My sole question will be to Indigenous Services officials.

I am the member for Brantford—Brant. I proudly represent two indigenous nations, the Six Nations of the Grand River and Mississaugas of the Credit First Nation. I trust at least someone on this panel has probably visited my riding from time to time.

I want to talk about an issue that has been plaguing me in my tenure as a parliamentarian, and it plagued my predecessor, Mr. Phil McColeman, as well.

I wrote a letter to Minister Hajdu on December 21, 2021. It read: "The Gaweni:yo school is a federally funded elementary and secondary school located on Six Nations of the Grand River territory. For the past 30 years, the school has provided instruction to its students in the Mohawk and Cayuga language in grade 8, at which time English is introduced. There has been an application for funding in progress for several years for a new school to be built.

"The school is currently operating out of a privately owned lacrosse arena and their need for a new building is urgent. The landlord has been extremely accommodating. However, the lease is subject to annual renewal. Therefore, the space is not secure and, most importantly, certainly not adequate for a school. The classrooms are cramped with no running water and the majority do not have windows.

"The language instruction not only provides the students with an education, but also the foundation for their identity. No doubt you will agree that providing financial support for the construction of the school will also help to fulfill our collective commitment towards truth and reconciliation, most specifically, the preservation and revitalization of aboriginal languages and cultures.

"Minister, in short, the current facility is not acceptable and, more importantly, not safe for the students and staff. They have been without a proper school for over 30 years. It's been long enough. The school has the support of Six Nations council and a shovel-ready project, which should be funded.

"I look forward to your reply."

Well, I didn't get a reply. I had to follow up with Minister Hajdu on April 22, 2022, reminding her that my staff reached out to her office on March 10, 14 and 28, with no response.

The cost to properly fund this project is now just under \$30 million. When we were asking for federal funding, the cost was just over \$10 million. Because of Justin Trudeau's inflationary policies, we have now almost tripled the cost. Justin Trudeau has spent close to \$21 billion on consultants, but can't seem to find the money to fund this particular school.

Today I had the chair, Ruby Jacobs, crying in my constituency office and asking what it takes to finally get the Government of Canada to recognize the need to introduce the school, to have the funding there, to have the students learn in a proper environment?

What are you going to tell my constituents and the parents of the children? What are you going to tell the chair, who was crying? When are we going to receive the funding?

Ms. Joanne Wilkinson: Thank you for the question.

I am aware of the situation and I will certainly follow up with my colleagues in education.

Mr. Larry Brock: That is not good enough. We've been waiting for seven years for this government to write a cheque. That is not an appropriate answer. When are they going to receive funding?

Two and a half years ago, Minister Miller attended on site. We had the press there. We had all kinds of stakeholders there. We were thinking that he was going to deliver that long-awaited cheque. All that then-Minister Miller had to say was he was sorry; he didn't have the best news for us. He said for us to be patient, that they were working on it, that there were other priorities in his department, but we will eventually receive the funding. That was almost two and a half years ago.

When will you write the cheque?

Ms. Joanne Wilkinson: It's not my cheque to write, but I will follow up with the officials under whose program this fits.

We do run schools at Six Nations. That is not the only school at Six Nations, of course.

Mr. Larry Brock: This is to Ms. Wilkinson.

Why doesn't your minister, Minister Hajdu, have the professional courtesy to respond to members of Parliament, who are duly elected to represent a number of indigenous nations? Why do I have to plead and beg for a response? This is shameful, it is disgusting, and I hope you relay the message directly to her about how disappointed I am in the way that she conducts her ministry.

• (1640)

The Chair: Thank you very much, Mr. Brock.

Turning now to Ms. Shanahan, you have the floor for five minutes, please.

Mrs. Brenda Shanahan (Châteauguay—Lacolle, Lib.): Thank you very much, Chair, and perhaps we could get back to the study.

It's good to hear that all members here of all parties are in agreement that this is a very tragic situation, with decades of underfunding that have resulted in first nations being underserved in housing. I would hope to see my Conservative colleagues voting with us when we're allocating money to first nations housing.

This is for the CMHC.

One of the main objectives of the government.... There certainly are a number of programs dedicated to housing. Even though I am a former banker and pride myself in being knowledgeable about the different financing arrangements, it can be quite complicated and difficult to follow.

I would like to hear from the CMHC and then Indigenous Services about how first nations are able to access the numerous programs that are available for housing, and how you are working with the first nations to facilitate and increase the capacity of first nations communities to access the different programs.

Off the top, Kahnawake is a neighbour of my riding. It's not within my riding. If they had a housing project that they wanted to do, what would be the first step they would take?

Mr. Michel Tremblay: The national housing strategy does prioritize indigenous people and people living in the north as one of their priority populations. As of December 31, 2023, I'm happy to say that we've committed \$6 billion of the \$43 billion that has been committed under the national housing strategy to indigenous people and people living in the north.

On how we go about helping them navigate the various programs, it's actually my colleague Morley who heads the indigenous solutions team that is across Canada. They do meet with first nations and other indigenous groups to help them navigate the programming and also to help them with applications.

In terms of building capacity, we have an internship program, which is quite successful, that we fund every year. We've also helped stand up the First Nations Housing Professionals Association. They are able to build capacity of first nations as well, including in the area of mould remediation, which we were talking about earlier. We are doing what we can.

Morley, I don't know if you want to add anything.

Mr. Morley Linstead: I think you covered it very well.

We have a team of front-facing staff across the country who go into the communities and meet with the housing managers and/or whoever is managing the housing portfolio on a first nation reserve. We have great relationships. We help wherever we can, not only with respect to capacity building but also with filling out applications, processing applications and advocating for first nations and all those things.

Mrs. Brenda Shanahan: Could you talk to me about the housing accelerator fund? Is that something that first nations communities have access to?

Mr. Michel Tremblay: There was a portion of the housing accelerator fund that was dedicated to rural and northern areas. We did have first nations actually apply successfully through the housing accelerator fund.

Mrs. Brenda Shanahan: To see it as successful, what would be the rate of uptake? Is it making a dent in facilitating the construction of housing on reserve?

Mr. Michel Tremblay: The program, as you know, recently went through the application process. As for its success, it's a little early, but we can get back to the committee in terms of success on first nations on reserve.

● (1645)

[Translation]

Mrs. Brenda Shanahan: Back home, in the riding of Châteauguay—Lacolle, the Rapid Housing Initiative has been a success. It was in fact a partnership between a Châteauguay nonprofit organization and an agency in Kahnawake.

Are you expecting other projects or partnerships like this, especially in urban areas?

[English]

Mr. Michel Tremblay: The rapid housing initiative was one of the most successful programs in terms of building houses quickly or committing to building housing quickly. I think the take-up rate for indigenous people was around 40% of the total \$4 billion funding, if I'm not mistaken.

The Chair: Thank you very much.

That is your time, I'm afraid.

In beginning our next round, Mr. Schmale, you have the floor for five minutes, please.

Mr. Jamie Schmale (Haliburton—Kawartha Lakes—Brock, CPC): Thank you very much, Chair.

Thank you to our witnesses for being here.

I want to talk more along the lines of where our Bloc colleague was going, and that relates to outcomes. How are we measuring outcomes?

Ms. Gina Wilson: I'll let my colleague talk a little bit about what we have identified in our departmental performance reports for outcomes.

Mr. Nelson Barbosa: We measure outcomes in two ways. One was cited as part of the opening remarks in terms of houses built and renovated. That number across the two departments in front of you today eclipses 30,000.

The other way we measure progress is around overcrowding metrics and metrics related to household density. Those are indicators of progress.

Mr. Jamie Schmale: When you look at the population numbers, from what year are the stats that you are using?

Mr. Nelson Barbosa: Within Indigenous Services Canada, we've applied the 2021 census data.

Mr. Jamie Schmale: Okay.

What policies are you using currently to empower indigenous communities to chart their own course, if you will?

Ms. Gina Wilson: I mentioned earlier that we invested \$223 million in housing managers, but more work is still needed here. There was also additional funding provided for training certification and ensuring that those housing managers had the capacity to manage housing on reserve, technical capacity and expertise.

Mr. Jamie Schmale: We have had a number of reports over recent years that talk about the fact that spending is up in these departments but that outcomes are not necessarily growing with the increased funding.

First of all, why?

Second, what is the department doing to fix this, and at what point can we see an increase in results? We're talking about housing here.

Ms. Gina Wilson: The outcome for housing has been 34,000 houses built, but I get what you're saying. I understand the complexities in all of this.

I'll ask Nelson to reply.

Mr. Nelson Barbosa: It is an excellent question, and I think that 30,000 homes renovated or built is certainly a marker of success, but there is work to do.

I'll point to some other success areas, and I'll reference that since 2016, first nations themselves reported an average community well-being score of 58, and in 2022 that average rose. In 2016, first nations reported an average community well-being housing score as 68, and in 2021 that rose.

In 2016 there were 17 first nations that reported community well-being scores less than 40, and in 2021 that number is two.

Additionally, the number of homes self-reported by first nations grew by 4%, and the number of adequate homes grew by 6%, so we're seeing progress. I think there is a way to go.

Mr. Jamie Schmale: To the Auditor General, who has had a few reports on this basically outlining the same concerns and the same problems, are you seeing that same level of attention to this problem, and do you agree with the assessment?

Ms. Karen Hogan: Are you talking about closing the gap?

Mr. Jamie Schmale: Yes, and do you agree with the assessment you just heard?

Ms. Karen Hogan: The funding that has been spent has definitely contributed to building new homes. We have an exhibit that talks about the achievement of that. We highlight that, in the report when they were looking at the gap, it was about 55,000 homes, I believe, that needed to be built. Here we are, five years later, almost six, and 80% of that is still remaining. It means that 20% was built, so there is definitely progress. My biggest concern is that this is a large gap and it's a lot of money, so you should have a plan to know how to fund that investment. It can't all be funded on day one, so there needs to be a plan to know how to fund that investment.

There will be limited funding every year, and that's why looking at equitable allocation and increasing access to funding for some communities that don't already have it is one of our recommendations. Really going after those further behind and trying to bring them forward first is the spirit of many of the recommendations that we have here, but it starts with understanding the whole quantum of the issue and then having a plan to fund it going forward.

I do want to acknowledge that progress has been made, but will this gap be closed by 2030? In my view, it is unlikely, given the few years left and that 80% of the needs are still largely unmet.

(1650)

Mr. Jamie Schmale: We've talked about this gap that probably won't be closed. That new approach was mentioned earlier. If we're just relying on program funding, then it doesn't seem to be actually getting the outcomes I think all of us want.

Where do you see that the change needs to be made? How new an approach do you think is necessary? Are we looking at a total overhaul in thinking? Are we talking about more capacity for first nations themselves to be able to monetize that type of thing and reach the goals they need to achieve for their people?

Ms. Karen Hogan: It's all of the above.

A fundamental shift means thinking about things in a different way. In my view, if we continue to say that we have a number of housing programs for these individuals over here, and we have a number of safe drinking water programs for those people over there, that is the siloed approach that, decades later, we're seeing is not working effectively for communities overall.

The Chair: Thank you very much.

Mr. Collins, thank you for joining us today. You have the floor for five minutes, please.

Mr. Chad Collins: Thanks for having me, Mr. Chair.

Welcome to our witnesses.

Mr. Tremblay, a theme that was developed in the Auditor General's report was almost one of haves and have-nots. In the smaller communities, I think we're at a disadvantage in terms of accessing funding, either through the department or through your organization, for various reasons highlighted in the report.

I've always found that many of CMHC's programs are urban-centric. I come from a large municipality. I served on our non-profit housing board. We have a team of lawyers, planners and others who help us with applications that you put in place. Small, rural, northern, remote and, in this instance, indigenous communities don't

have those resources, so many choose not to apply. Can I ask what your organization is doing to ensure resources for small communities?

I think the report states that application-based proposals penalize those without resources. What is your organization doing to change that narrative and to ensure that the smallest of communities receive their share of the resources from all of those who are in attendance here today? How are you changing things in your workplace to ensure that they have equal access to those resources?

Mr. Michel Tremblay: As I mentioned, we have a dedicated team across the country that works with first nations on indigenous housing, including in remote areas and in the north. The national housing strategy also has \$1.6 billion that's dedicated to indigenous people and people in the north. Mr. Linstead's team works around the country and helps them with applications.

We have also tried to build capacity as we have been doing this. If a first nation is doing their first application, Mr. Linstead's team can help them. Once they've gone through an application for a program, they will then have better capacity to apply further.

A lot of our programs are available across the country; obviously, the national housing strategy covers the whole continuum and country. Even though a lot of these programs are application-based, thanks to the work of Morley's team, we've been able to get a lot of funding through these programs. The number is around 12% to 13% of the overall NHS funding that has been committed to date.

• (1655)

Mr. Chad Collins: Thank you.

Something that I didn't see in the report was the cost of providing housing. There are references there that talk about the challenges indigenous communities face in rural and remote communities in terms of transportation and servicing issues. I think they're referred to as "essential services" in the Auditor General's report.

Your organization is driving innovation in the housing sector. You have an innovation fund that seeks to accomplish that. The rapid housing fund has poured tens of millions of dollars into modular housing. Every time that happens, it drives innovation in that sector.

What is your organization doing to assist indigenous communities with lowering the cost of housing, which, in some instances, can be almost double what we're paying in urban areas?

Mr. Michel Tremblay: I have mentioned a lot of the initiatives we have put in place to help with that. We have mentioned modular and 3-D housing as a very good step towards lowering the costs. You've mentioned some of the barriers that exist. Another one is that access is very seasonal, which becomes an issue for the indigenous people who live up north or in more rural areas.

We are working, as you said, with the affordable housing initiative and modular housing. We're looking at different ways to help communities build housing faster and cheaper.

Mr. Chad Collins: Thank you.

Ms. Wilson, with infrastructure and essential services, it's oftentimes a responsibility shared among three levels of government, including first nations governments, in terms of the resources they have to contribute to upgrade the same.

Provincially, is there a plan with our provincial partners when it comes to water, waste-water services and building new roads to get to these rural and remote communities? Climate change has played a role in terms of creating barriers, whether it's low water levels that don't allow the shipment of goods or whether it's ice roads that are no longer there during the winter season.

Are provincial partners contributing? What's the plan in terms of addressing financial issues with those partners when currently they may not be at the table?

Ms. Gina Wilson: That's a great question.

They are engaged to varying extents, certainly, when it comes to roads and winter roads. We have many conversations with our partners, but maybe I'll check with Joanne to see if there's anything in particular.

Ms. Joanne Wilkinson: Maybe I could provide a couple of examples.

In New Brunswick, the Tobique First Nation has an agreement with the provincial government for a \$22-million investment. Again, similar to the example I mentioned earlier in Alberta, we supplemented that, particularly around servicing and engineering and those types of things. The intent there is to build 50 homes with that partnership approach.

As the deputy said, there's no program to which people apply. These are ongoing discussions and dialogues between nations with a nation-to-nation and government-to-government relationship.

Mr. Chad Collins: My last question would be around the whole issue relating to those small communities that don't have capacity right now to not just manage but to apply for the programs that Mr. Tremblay talked about.

Are there small communities that have raised those issues in terms of even being provided the resources that you've highlighted today that are available to them? Some may say that they're not capable because they just don't have the population to manage it.

What is the plan? Is it a regional approach that will be taken by first nations, much like regional governments we see in rural areas that take a collective control over some of the issues you're dealing with?

Ms. Gina Wilson: It's a very regionally based approach.

When it comes to things like filling out applications, there are no applications from six out of 10 provinces in our sphere. It's people working with people and committees. Regional funding formulas and regional decisions are made in partnership with first nations. That's just how it works at the local level.

However, there are reports and things that we can probably streamline and do better when it comes to some of the paperwork.

The Chair: Thank you very much.

[Translation]

We're moving on to you, Ms. Sinclair-Desgagné. I will give you three minutes to speak instead of two and a half, because I made a little mistake during the Conservatives' turn and I gave a little bit more time to the Liberals.

Ms. Nathalie Sinclair-Desgagné: Thank you, Mr. Chair.

We heard several times today that a radical change is needed, a paradigm change. Those are great words. I even had the pleasure of hearing that you agreed with them, Ms. Wilson. After the report's release, I imagine that your meeting with the minister must have been rocky, to say the least. Indeed, if such a paradigm change is needed, it means that radical change has to happen.

Briefly, could you tell us how that meeting with the minister went?

(1700)

Ms. Gina Wilson: She felt the same way I did. We are carrying out consultations on infrastructure modernization. I can ask Mr. Barbosa to explain it quickly.

Ms. Nathalie Sinclair-Desgagné: Please be very quick. I have a lot of follow-up questions.

[English]

Mr. Nelson Barbosa: Over the last year, we've engaged first nations rights holders specifically on these questions of why so many programs, how to modernize, how to monetize and how to bring more modern municipal practices to the first nation environment.

[Translation]

Ms. Nathalie Sinclair-Desgagné: On a practical level, when it comes to modern practices, do you talk about supporting capacity building and ceasing to send funding that ultimately serves no purpose and produces no results?

[English]

Mr. Nelson Barbosa: Capacity is certainly part of that conversation, but, ultimately it comes down to choice.

We have many programs. We have a housing program, but we have a water program and a school program. Sometimes those don't align with the needs of the community, so the community should be empowered to choose where those investments go based on the investments that are available.

[Translation]

Ms. Nathalie Sinclair-Desgagné: Communities will finally have some freedom of choice, so they can decide where the money goes. Just that would be a good start. We agree on that approach, but will it be enough? That's the next question.

Thank you, Mr. Barbosa.

This follows up on my first question about the minister's reaction. We are going to see some restructuring. Does that mean we should expect major changes to be included in next week's budget? After all, the situation is desperate and action is urgently needed to completely revamp the thinking around the problem and the response to it.

[English]

Mr. Nelson Barbosa: The question of appropriations is a parliamentary question, but I would say we were happy to work with the Assembly of First Nations in quantifying the infrastructure gap. We engaged first nations for over a year to understand what the delta was in infrastructure and quantify that gap, and we worked with the AFN to cite the report that was published on April 9.

We know the gap is great. We have programs that we will fund at the highest level for housing this year, and we will fund water at the highest level—

[Translation]

Ms. Nathalie Sinclair-Desgagné: All right. That doesn't exactly answer my question. I asked about a very practical matter.

In the budget that's unveiled next week, will we finally see major changes to the way the federal government funds the various programs? Conversely, is it going to take another few years or perhaps another report before those changes are made?

[English]

Mr. Nelson Barbosa: Yes, we're hopeful for positive budget outcomes on April 16. We want to continue to work with first nations to bring that modern practice into place, including the monetization of investment.

[Translation]

Ms. Nathalie Sinclair-Desgagné: Pardon me. You just said you were hopeful, but this isn't at all about hope. You are the ones who lay out your requirements for the Department of Finance. There is something wrong if the deputy minister with us today can't say that the budget will indeed contain major changes, that certain programs will finally undergo changes and that the government will address the appalling findings in report after report.

[English]

Mr. Nelson Barbosa: I would agree that the budget appropriation cycle is critical in closing the infrastructure gap. Like you, we eagerly await the results of April 16.

[Translation]

The Chair: Thank you.

[English]

Next up, we'll have Mr. Desjarlais. You have three minutes.

I looked left when I should have looked right when Mr. Schmale was speaking. He went over slightly, so I gave Mr. Collins more time, and I did the same for the Bloc, so you have three minutes.

Mr. Blake Desjarlais: Thank you very much, Mr. Chair.

To the Auditor General, in light of our discussion here today, you've heard many of our questions and you've heard our concerns. In your own experience as our Auditor General, you've cited many times—not just in your own words, but in the words of previous other Auditors General—the lengthiness of this crisis. I'm talking about the length of time.

In previous testimony, you've said this is going to impact an entire generation. As a matter of fact, it has.

Could you comment on what you've heard? Are you hopeful, based on what you've heard—not just in response to your recommendations, but also here today—that the gap will be closed by 2030?

Ms. Karen Hogan: I stand by our comments in our report. I believe it's unlikely that the gap will be closed by 2030 unless something drastically different is done. We have almost seven years to go.

Something different really needs to happen. It starts with understanding the gap and then having a plan to move forward and do that with communities.

I would be happy to come back one day and say, "All of these recommendations weren't acted on because there was something completely different, and here's what's happening now," versus just continuing to say there's been little progress made on our recommendations.

Mr. Blake Desjarlais: You've reviewed many programs and you often see failures. When it comes to program failures, you sometimes see that there are changes in that work. We've seen multiple decades now of this ministry in particular saying it's going to do the right thing, and then it doesn't.

As a matter of fact, in your report you suggest that not only will it not reach the target by 2030 but that it's actually getting worse. We see from the Assembly of First Nations report, for example, that the number it co-developed with the ministry in 2018—the number they came up with—is now outdated because of inaction. Now that number's well over \$520 billion in terms of an infrastructure gap.

My concern, Canadians' concern and the concern of indigenous people across the country is about Indigenous Services Canada, which is being asked to transfer the responsibilities to indigenous people while attempting to hit these really incredible targets, such as closing the infrastructure gap by 2030.

How can it make such bold claims when it's saying it's someone else's problem? Is it disjointed? Do you see a silo, in your words?

• (1705)

Ms. Karen Hogan: I believe you're highlighting part of my concern that I mentioned in my opening remarks about the partial agreement with one of our recommendations.

As I reflected on this work and on the work of my predecessors, there has very little progress over 20 years in this area. That is why I am completely discouraged and why I believe we made recommendations to try to improve things within the current confines of policies and practices. However, something fundamentally different is needed to bring about change.

Mr. Blake Desjarlais: Is this the worst ministry you've ever audited?

Ms. Karen Hogan: That's a difficult question to answer.

Mr. Blake Desjarlais: Is it in the top three?

Ms. Karen Hogan: There are so many individual programs that are not doing well—

The Chair: Thank you, Mr. Desjarlais.

Ms. Karen Hogan: —and then there are so many that are doing well, so it's a tough question to answer.

The Chair: I will rescue the Auditor General from ranking her greatest hits.

Some hon. members: Oh, oh!

The Chair: If she's inclined to think about it, she can get back to us on that.

I'll turn now to Mr. Nater. You have the floor for five minutes, please.

Mr. John Nater (Perth—Wellington, CPC): Thank you, Mr. Chair.

I want to open with a comment that is mainly directed to the CMHC. I don't want to sound glib, but "do better". That's my comment to the CMHC right now, specifically on first nations housing and the fact that you're using data from two decades ago. Come on: Do better.

I know the Liberals brought up the housing accelerator fund, and I'll go broader to that, beyond first nations housing. Rural communities and small-town communities did not benefit from the housing accelerator fund. The fact that the Township of Mapleton, a rural community in my riding, was lumped in as a large urban municipality.... I mean, come on. It's ridiculous. Not a single rural small town in Perth—Wellington and in many rural communities benefited from the housing accelerator fund. I'll just say that the program is failing, and I think, unfortunately, that the CMHC is to blame, in partnership with the Liberal government.

With regard to the matter at hand, I want to begin with Ms. Wilson.

Can you confirm for us whether you've done any investigation as to whether any employees in your department are also contractors with other government departments?

Ms. Gina Wilson: We are doing that investigation as we speak. Yes, it's under way.

Mr. John Nater: When will you have results from that investigation?

Ms. Gina Wilson: I want to say that it will be within the next month, but I'd have to double-check and get back to you with what the deadline is. It's the government-wide deadline.

Mr. John Nater: Will you provide those results specifically to our committee when it's completed?

Ms. Gina Wilson: Certainly.

Mr. John Nater: The alternative.... How many contractors within your department are also employees of other government departments?

Ms. Gina Wilson: We'll include that too.

Mr. John Nater: I appreciate that.

Let's go back to the mould strategy, and this has been brought up before. I want some precision on this.

When did Indigenous Services Canada make the conscious decision to stop following the 2008 mould strategy?

Ms. Gina Wilson: I'm going to take a guess here, because this was before my time, but I'll look at my colleagues and I'll look at Dr. Wong.

It was not a decision made on a day; it was a gradual inclination by first nations wanting to reduce the silos of various program entities and wanting more flexible funding. Gradually there was a move towards providing that flexibility and ensuring that mould was an expense that was completely available for funding within the programming that we have.

Mr. John Nater: I think where the concern is.... I don't want to put words in the Auditor General's mouth, but I think she talked about the data being available. Frankly, it's a concern when there's no longer a strategy specifically dedicated to this very serious concern that has been raised over multiple decades and there's no longer this dedicated strategy based on where the data is found and where the data is dealt with.

Again, I'm going to push back a little bit. When was this decision made? Why was this done?

Ms. Gina Wilson: I'll repeat that there was not a time and a date when a decision was made. I would say that we do have environmental protection health officers who go in and provide testing, and they provide first nations with reports upon first nations' requests. We actually make active offers to communities to allow our inspectors to go in and provide that testing, as well as prevention, awareness and so on.

You do have a point about not knowing precisely and exactly what the extent of mould is. I think that's something for us to take back as part of this audit and be able to talk to first nations about, actually asking the question on how we want to deal with that. Do we want precision on mould extent?

● (1710)

Mr. John Nater: To that, I would say that I will ask that question again. I will come back the next time you're before this committee to see what progress has been made specifically on that.

I want to follow up with regard to a 2022 survey that Indigenous Services Canada undertook. Fewer than 10% of first nations communities actually responded.

I'll perhaps go first to the Auditor General.

What kind of concern would you place on the fact that so few first nations communities responded to that survey?

Ms. Karen Hogan: I think it's difficult. There are always communities that don't want to respond to surveys. That's the case anywhere. You might receive a request for a survey in your inbox; some you'll respond to, and some you'll choose not to.

I think it highlights the lack of capacity to perhaps address something that is seen as not essential to the day-to-day situation for a community in trying to deal with this.

When we looked at the survey results from those that did respond, they were interesting. Many of them don't have full-time, dedicated housing managers. I will tell you that for some of the smaller communities, less than half have a dedicated resource. It's a critical resource to wade through the application process and even to just understand the issue and the needs of a community.

The Chair: Thank you. That is your time.

I'll turn now to Ms. Diab.

It's nice to see you. You have the floor for five minutes. Please go ahead.

Ms. Lena Metlege Diab (Halifax West, Lib.): Thank you, Chair. It's nice to have another Atlantic Canadian as chair of the committee

I'm a member for Nova Scotia. In Nova Scotia we have 13 first nations communities that hold reserve lands. There are some fabulous examples in my province. If I speak of Membertou, I'm sure all of you must have heard of Membertou. They have a development corporation that has existed for a few decades now, and, notably Chief Terry Paul is the head of the organization. I was present last year when he won an Excellence in Business Award for Atlantic Canada.

I'm not a member of this committee. I'm substituting today. Housing is a very large topic, a huge topic. We know we have issues in housing all over the country, but particularly with regard to first nations.

Is there a discrepancy between the different provinces or regions of Canada with respect to the gap? This is for whoever is able to answer. I'd like to get an idea of that. Are there great examples that you can share, or that can be shared, of some communities that are not doing as badly or that are doing really good things in other parts of the country?

Who can help me with those questions?

Ms. Joanne Wilkinson: I can start—

Ms. Lena Metlege Diab: I also have one last question, which I will ask now.

I'd like to understand a little bit, from the doctor, this mould issue that keeps coming up here today, but only if I still have time.

Please go ahead.

Ms. Joanne Wilkinson: I'll give you two examples from the Atlantic and leave time for Dr. Wong. I'm an Atlantic Canadian as well.

The deputy mentioned one of them in her remarks earlier around service transfers. We have undertaken a service transfer with the Confederacy of Mainland Mi'kmaq. It is expected to be implemented in the 2026-27 fiscal year. There is also a first nations housing agency that is being developed by the Atlantic Policy Congress of First Nations Chiefs, so there is a lot of governance work happening in Atlantic Canada and a lot of investment in developing the economy around this as well.

For example, Abegweit First Nation in P.E.I., a close neighbour, has also worked with both the federal and provincial governments to produce more housing and to start a construction company run by the first nation, to bring people home and to have places for them to both live and work. That is a huge shift in building an economy, and it will enable the change that is needed to shift the paradigms in how housing and infrastructure are done on reserve.

With that, I'll turn it over to Dr. Wong.

● (1715)

Dr. Tom Wong: Over time, there has been a decrease in the number of house inspections being identified by Indigenous Services Canada environmental public health officers. We started with a baseline of half of the houses, and I have to emphasize that it was half of the houses that were initially being identified as having mould as an issue. Five years later, there has actually been a decrease in the number of houses and the number of inspections. It's down to less than one-quarter. However, whether it's less than a quarter or 1%, there are just too many. We'd like it to be down to less than 1%.

That goes back to the problem of the disparities and the inequities that need to be addressed. Part of the reason for the decrease in those inspections finding mould is the existence of programs for the housing sector, programs with funding to support renovations and repairs, as well as new builds, etc.

From my perspective on the public health side, much more needs to be done. We need to drive that down from 25% to less than 1%.

Ms. Lena Metlege Diab: It's not an indigenous issue, but when we talk of mould, I think that for someone like me or anyone, sometimes it's awareness that it's an issue as well. It could exist in so many homes, and people may not even be aware of it.

In terms of the disparity in the different regions and different provinces, can anybody comment on that?

Ms. Karen Hogan: If I may, Mr. Chair, I think I would point the honourable member to a few of our exhibits. You have to piece a few of them together. Exhibit 2.1 will give you the split across the provinces of where there are first nations communities and the housing units in that province. If you look at exhibit 2.2, it will show you the gap that needs to be closed.

I would point you to exhibit 2.5. While it looks at some of the programs around CMHC and not the two departments, it will show you the percentage of the housing units that were in need of repair and replacement, and the underfunding or overfunding based on the issue would be data used in our formula.

I think it would give you a sense by province of where the housing units are and where some of that gap is if you looked at those exhibits together.

The Chair: Thank you.

I am expecting bells for votes. We are also nearing the bottom of the half-hour. I am going to propose a truncated time of three minutes for government and official opposition members and 90 seconds each for the Bloc and the NDP.

I'll begin now, and I'll look for consent to continue. Doing this will take about 15 minutes. If the consent is there, we will continue; if not, we will have to pause when the bells go.

To the Conservative side, Mr. Schmale, you have the floor for just three minutes. You can use the full three minutes or you can stop at any time before that. You're under no obligation, but we are happy to hear from you for a full three minutes.

Mr. Jamie Schmale: Thank you very much, Chair. I appreciate the full three minutes.

Ms. Wilson, I want to pick up where you left off regarding the inspectors that go into individual communities and take a look at their housing needs.

How many inspectors have been requested to go into community in the past year?

Ms. Gina Wilson: I will ask Dr. Wong if he has that at the tip of his fingers.

Dr. Tom Wong: Back in 2017-2018, approximately 1,200 home inspection requests were requested. Five years later, it was during the time of COVID, and during COVID, as we all know, requests diminished for many different services. That number went down to close to 600, which is almost a 50% reduction.

• (1720)

Mr. Jamie Schmale: These are the requests, but how many communities requested that?

Dr. Tom Wong: The number of communities also has been going down as well.

Ms. Gina Wilson: If it's 50% and there are 633 communities, it would be something like 300.

Mr. Jamie Schmale: Continuing on the overall theme about building capacity and getting away from endless program funding that doesn't seem to be working at all, how welcoming or how interested are some of these communities in having an agent of Ottawa come onto their lands to basically point out issues that the department itself, unfortunately, had a part in not fixing?

Ms. Gina Wilson: You know, you have point. This is upon the first nation's request, and we won't go into communities unless they request the environmental protection health officer to come in. We try to make active offers.

These folks work regionally, so they're in Saskatchewan and Alberta; they are not in Ottawa.

Mr. Jamie Schmale: As a first nations woman, how interested would you be in having an agent of Ottawa coming onto your land to explain problems that the department was responsible for not fixing?

Where is that capacity being built on reserve to get to a point where we don't have to rely on Ottawa to get its act together before they can fix the issue on the ground?

Ms. Gina Wilson: They are not in Ottawa, and as a first na-

Mr. Jamie Schmale: You know what I meant. That was a figure of speech.

Ms. Gina Wilson: Okay.

As a first nations woman, I'm happy to have resources wherever I can to provide support and advice for the safety and security of my community.

Mr. Jamie Schmale: How much time do I have?

Dr. Tom Wong: I have an additional comment regarding that.

Right now there is a new initiative, which is to try to recruit and retain indigenous environmental public health officers. Currently about 40% of the environmental public health officers are indigenous. With this new initiative that's especially supporting indigenous people who want to become one, there are laddering opportunities to work with academic institutions in order to achieve that.

Mr. Jamie Schmale: How many would be living on reserve—

The Chair: Thank you, Mr. Schmale. That is your time, but your side will have one more spot.

Mr. Jamie Schmale: I got that in before you said that.

The Chair: That's not how it works.

When you're past your time-

Mr. Jamie Schmale: I want to challenge the chair.

The Chair: You go right ahead.

Ms. Yip, you have the floor for three minutes, because I will be voting with the Liberals on this one, Mr. Schmale.

Some hon. members: Oh, oh!

The Chair: I'm sure I'll win that vote.

Ms. Yip, you have the floor.

Ms. Jean Yip: Thank you, Chair.

Today I've heard over and over again that much more needs to be done. I see that both CMHC and ISC have submitted action plans. When I look at the action plans, I see that the dates are 2025, 2026 and 2027, except for the building code recommendation, which is 2024.

Can Mr. Tremblay and Ms. Wilson comment on that?

Ms. Gina Wilson: Mr. Chair, I had the same question when I looked at the action plans.

One, for example, said that after 2027, we would have to look at funding. I was told—and it makes a lot of sense—that the budget 2022 allocations for the next number of years had already been allocated, so we'll have to wait on that timeline to actually go and change the allocation.

That's just one example.

Mr. Michel Tremblay: Mr. Chair, as I've said, we are committed to responding to the auditor's report and action plan. We are going to make every effort to actually meet the deadlines and even exceed the timelines, if we can.

Ms. Jean Yip: Ms. Wilson, in your opening statement you mentioned a preliminary action plan. Is that different from what we see here?

(1725)

Ms. Joanne Wilkinson: Yes. The preliminary action plan that was referenced in the deputy's opening comments is the one that was tabled with the committee.

Ms. Jean Yip: Thank you.

Ms. Wilson, from your perspective and also based on what you hear from first nation partners, are some of these programs working?

Ms. Gina Wilson: Nelson talked about some of the community well-being index indicators, which I was pleased to see were actually going up when it comes to first nations in a number of areas. I would hope that anyone would be open to looking at that presentation of the community well-being index at some point, because it is quite promising. I am hopeful.

Ms. Jean Yip: What are you hearing from the community in terms of changes and improvements?

Ms. Gina Wilson: Many communities, when it comes to first nations, are very differentiated. Many of those communities are still in crisis. They're still suffering. There are still a lot of issues there, while many communities are evolving and moving forward. Communities like Membertou that are doing great and don't really need Indigenous Services Canada to be involved.

It's a whole gamut, a whole range and a whole continuum of communities.

Ms. Jean Yip: Mr. Tremblay, this is in regard to the \$4.3 billion urban, rural and northern indigenous housing strategy. Could you tell me more about this 10-year housing and infrastructure strategy?

Mr. Michel Tremblay: The housing and infrastructure strategy is actually from Indigenous Services Canada. The urban, rural and northern strategy is the strategy that the government will launch in this upcoming fiscal year to address urban, rural and northern challenges for indigenous people. We are creating an indigenous centre that will manage the bulk of the money.

[Translation]

The Chair: Thank you.

We now go to Ms. Sinclair-Desgagné for a minute and 40 seconds.

Ms. Nathalie Sinclair-Desgagné: Thank you, Mr. Chair.

I want to revisit something we talked about earlier. As far as I'm concerned, the governing party—which has been in power for eight and a half years now—should tread very lightly when it comes to minimizing the rather damning findings in this report. I'm talking about the implication that the number of homes affected by mould was exaggerated because people were more likely to identify it. That is very wrong.

It's time to start paying attention to the devastating findings in this and previous reports. As mentioned, some progress has been made. For example, we found out that Indigenous Services Canada would be undergoing major changes—and that's what we wanted to hear. I really want to focus on that.

Ms. Wilson, you said that there would be a greater focus on the self-determination of indigenous peoples, and that's good. I'm happy to hear it. As you know, self-determination is something I care deeply about. Something else that came up was the importance of ceasing to deliver programs in silos and making them more tailored to communities. Most importantly, communities have to be able to choose how they want to use their funding.

Are there any other solutions you'd like to talk about in this public forum?

[English]

Ms. Gina Wilson: The only thing I'd refer to in five seconds is this infrastructure modernization initiative that we're moving forward on. It's a game-changer.

The Chair: Thank you.

[Translation]

You have 30 seconds left.

Ms. Nathalie Sinclair-Desgagné: Are you sure that, with those changes, you'll be able to meet your targets by 2030?

[English]

Ms. Gina Wilson: We have a national strategy that is looking at a 10-year work plan at this very moment. It was mentioned by the member earlier. I would work towards and continue to work towards meeting that timeline and that target.

It's going to take more than the money: It's going to take financing tools. It's going to take a lot of work—

[Translation]

Ms. Nathalie Sinclair-Desgagné: More than anything, it's a matter of will. The lack of will is precisely why there have been so many scathing reports. It may have been before your time, but government after government showed a clear lack of will to make life better for indigenous peoples.

Ms. Gina Wilson: Thank you.

The Chair: Thank you.

[English]

Up next is Mr. Desjarlais.

You have 100 seconds, please. That's a minute and 40 seconds.

Mr. Blake Desjarlais: Thank you very much, Mr. Chair.

Given that Indigenous Services Canada and Canada Mortgage and Housing Corporation are not on track to close the housing gap by 2030, and considering that first nations are still in deplorable need of health supports as a result of the massive mould epidemic in first nations communities, I will move a motion, which I've sent to the clerk. I move:

That the committee invite the Minister of Indigenous Services Canada, Ms. Patty Hajdu, to appear for no less than two hours on the committee's review of Report 2: Housing in First Nations Communities, from the Auditor General, and that the minister be scheduled to appear within three weeks of this motion.

It has been supplied in both official languages, Mr. Chair.

• (1730)

The Chair: Thank you.

It does take a few minutes just to send it around.

Mr. Desjarlais, just read it again, please. Read it slowly so that we can all hear it.

Mr. Blake Desjarlais: Sure. I move:

That the committee invite the Minister of Indigenous Services Canada, Ms. Patty Hajdu, to appear for no less than two hours on the committee's review of Report 2: Housing in First Nations Communities, from the Auditor General, and that the minister be scheduled to appear within three weeks of this motion.

The Chair: All right. Let me just check with the clerk. Hold on.

Members, I'll turn to you. It's going to take about two minutes to send. I am happy to start the debate on this, or I could....

Mr. Nater, you have the floor.

Mr. John Nater: I will simply say that we support this motion.

The Chair: I was hoping for more than two minutes, but okay.

Some hon. members: Oh, oh!

The Chair: Go ahead, Ms. Shanahan.

Mrs. Brenda Shanahan: Do we have insight into whether the minister is appearing on INAN?

I fully respect the gravity of this issue, but as we've said before, this committee is about process, accountability and the finances and so on, whereas policy is at INAN.

Chair, would you be aware of that?

The Chair: I believe that Mr. Schmale is. If you would yield to him, I'll hear from him, but I can come back to you.

Mrs. Brenda Shanahan: Okay. Very good.

The Chair: You will not lose your time.

I'm going to go to Mr. Schmale first and then back to Ms. Shanahan. Then I'll go to you, Mr. Desjarlais.

Go ahead, Mr. Schmale.

Mr. Jamie Schmale: Thank you very much, Mr. Chair.

To answer Ms. Shanahan's question as one of the vice-chairs of INAN, I know that Ms. Hajdu did appear for a very short session. We got cut off because of votes, I believe, if memory serves, but

there were still many unanswered questions that needed investigating, so, as Mr. Nater says, we support the motion.

The Chair: When was that appearance?

Mr. Jamie Schmale: Oh, it was probably.... We're in April. It was in March.

The Chair: Then, more pertinently, is she not scheduled to appear again?

Mrs. Brenda Shanahan: It was four weeks ago.

Mr. Jamie Schmale: Yes, it was well over a month ago.

The Chair: She's not scheduled to appear again at your committee.

Mr. Jamie Schmale: We apparently have put out two requests, for main estimates and for supplementary (B) estimates, believe it or not, but there is still no response.

The Chair: Okay. An invitation was sent out, but there's no response.

Ms. Shanahan, I'll go back to you if you want the floor. If not, I'll go to Mr. Desjarlais.

Mrs. Brenda Shanahan: I'm just suggesting that if the minister indeed is appearing at INAN on this topic, any member can attend the INAN meeting, of course, and ask questions and so on.

We have a work plan. We're trying to follow it. We have, as you know, Chair, multiple reports at this time. I think we're up to nine or 10 draft reports that we haven't yet submitted.

This has been a very fruitful meeting. We're certainly going to want to get to the report and get that out as soon as possible, but I don't know if Mr. Desjarlais has spoken with anybody who is sitting....

Are you sitting on the INAN committee?

The Chair: Please respond. Then I do have to look for UC, but I would like to hear from you first.

Mr. Blake Desjarlais: The motion is specific to the Auditor General's report. This committee is seized with that report. I believe that out of the many audits we have, the Auditor General has been clear that this is of the most critical importance after 20 years of non-accountability, 20 years of underfunding, 20 years of not taking this seriously.

That's why I believe, Mr. Chair, that this motion is in line with our committee's mandate. Furthermore, it's the most moral, best and most important way we can address our oaths of office. Canadians are suffering. Indigenous people are suffering. This is an extreme instance of inequality. We need to do this.

It's not a question of where we should put this issue. The government should be seized with this issue across all committees, if anything.

[Translation]

The Chair: It's now over to Ms. Sinclair-Desgagné. Please keep it brief

Ms. Nathalie Sinclair-Desgagné: I just want to reiterate everything Mr. Desjarlais said.

This is an important report, the latest in a series of scathing reports. Today I asked questions about what the minister thought of the report, but I'd like to hear it from her. She has the authority and the power to give specific direction, so I'd like to hear how she plans to respond to the Auditor General's report.

The vice-chair of the Standing Committee on Indigenous and Northern Affairs told us that the minister still hadn't agreed to appear before that committee. It's pertinent for her to appear before this committee, so we can move forward with our study.

(1735)

[English]

The Chair: I do need to address the issue of the bells.

I want to thank the government members in particular for allowing a few voices to be heard. I think that shows your goodwill on this question.

I'm going to look for UC. We have votes coming up. I think everything's been said that needs to be said. I want the Liberals to hear this: I'm going to look for UC to call a vote on this. I need your attention, because I just want to make sure you understand that I'm looking for UC to call a vote on this motion.

Mrs. Brenda Shanahan: You want to call a vote on this motion right now.

The Chair: Yes. Otherwise, we could debate it. We have 20 minutes until the vote.

Mrs. Brenda Shanahan: I just have one further intervention.

The Chair: Okay. I'll tell you what: Let me have UC, then, to continue to debate for 15 minutes, and then we can check in again. Would that be sufficient?

Mrs. Brenda Shanahan: Yes.

The Chair: That way you can speak. You can easily filibuster for 15 minutes if you don't want to have a vote.

Mrs. Brenda Shanahan: Yes, we'll continue for 15 minutes.

The Chair: All right.

Witnesses, perhaps you can just bear with us, please.

I'm looking for UC to continue this debate for 15 minutes. I see no dissenters.

You have the floor, Mrs. Shanahan.

Mrs. Brenda Shanahan: I'm still unclear on the situation at INAN.

We have the Auditor General with us. Can the Auditor General respond if she's been invited to the INAN committee on this report?

The Chair: We're now debating a motion, so we really cannot hear from witnesses unless members agree that we can hear from the AG.

Some hon. members: Agreed.

The Chair: We have Ms. Hogan. Thank you.

Ms. Karen Hogan: I'm honoured. Thank you, Mr. Chair.

As I walked into the room, my parliamentary liaison people confirmed that I had just been invited to appear before INAN to discuss both policing and housing. I do not know a time or date. I don't know if it's for two separate times or only one, but yes, an invitation has been extended.

The Chair: Thank you.

We go back to you, Mrs. Shanahan.

Mrs. Brenda Shanahan: That's new information.

In that case, if the minister has already been invited to INAN, then I would humbly suggest that that would be a very fruitful meeting at the INAN committee. It would be in much the same way as we invited INAN to look at the overriding issues—

Mr. Blake Desjarlais: I have a point of order.

Mrs. Brenda Shanahan: —that the Auditor General brought up concerning, I think, Mr. Genuis' motion to look at the overarching issues that have been brought up in this report and others concerning indigenous services in this country.

Chair, I am more accustomed to working on a consensual basis through which we talk about what we need to do and work out our work plan and have a subcommittee, and it's discussed again in the group. I'm certainly not against—

The Chair: I'm going to cut you off there. I have a point of order that I need to hear.

Mr. Blake Desjarlais: I raise a point of order on relevance. Ms. Shanahan asked the question of the Auditor General. The Auditor General responded.

The Chair: Yes.

Mr. Blake Desjarlais: I believe that exhausting our remaining amount of time before we get to a vote is inappropriate. We should get to a vote.

The Chair: Mr. Desjarlais, an observation is not a point of order, and Mrs. Shanahan has the floor. I can appreciate your frustration, because the clock is ticking. I'm going to go back to Mrs. Shanahan

As you know, I cannot cut off debate. Debate goes until it collapses, and then I call the vote.

Mrs. Shanahan, you have the floor.

Mrs. Brenda Shanahan: Mr. Chair, again, in the spirit of working together, we've had other motions of this type that have come forward because of the urgency of the moment, but the different parties were consulted beforehand so we could at least have an idea of where we were headed.

It's just in that spirit, Mr. Chair, that I would like to put it to my colleagues that this committee has already had its time taken up considerably by the work of another committee, initially the government operations committee. We have, in my opinion, actually duplicated a lot of work that has happened. Also, it's not necessarily the case that Auditor General reports are only studied in our committee. In fact, we're a starting point, and then they go to other committees where they can be discussed more extensively.

With that, Mr. Chair, I would propose a friendly amendment concerning the timeline. It is that we do the invitation to the minister sometime in May, given the timeline we have before us. Our meetings are scheduled for the next couple of weeks.

(1740)

The Chair: I'm going to come back to you in 10 seconds just to be more clear, Mrs. Shanahan, because I'm not quite sure what your amendment is.

In the meantime, I'd like to excuse the witnesses.

Thank you very much for appearing today. We all appreciate it. You are free to go.

This committee will continue to address this question for another 10 minutes.

Mrs. Shanahan, I'm going to turn the floor back to you, because you were proposing an amendment. We're looking for some clarity on that, Mrs. Shanahan, but of course the floor is yours.

Mrs. Brenda Shanahan: I have the text before me.

The amendment is in the last line. It is to replace "within three weeks of this motion" with "to appear May 31".

The Chair: You mean "by May 31".

Mrs. Brenda Shanahan: Yes, it's "by May 31".

The Chair: Thank you. There's an amendment on the table to modify the motion so that it reads "by May 31".

Mr. Desjarlais, you had your hand up previously, but it's your motion, so I'll hear from you, please.

Mr. Blake Desjarlais: Thanks, Mr. Chair.

I'm incredibly frustrated with the attempts by the government to delay and to go so far as to ensure that indigenous people continue to wait. It's been over 20 years. It's unbelievable that we are even debating an amendment about extending time for the government when there have been over 20 years of problems.

Forgive me for the amount of frustration this is giving me, but I need you to sympathize and understand that as we debate this—making sure the minister has an opportunity to review all the information and to have a big long dialogue about how she can skirt her responsibilities—I believe that indigenous people should get the

level of understanding, transparency and accountability that's needed from this government, and the only way to do it is by ensuring we actually hear from the minister. The questions we posed today were departmental questions—and yes, they're important questions—but the Auditor General has been very clear that this is of utmost importance.

Twenty years is the problem in our country. This is the greatest issue facing Canadians, in many ways. If we can't actually ensure we have fairness, equality and equity, what do we stand for? What do we actually stand for as a country if we can't ensure that a kid doesn't spend his whole life in a house full of mould?

I don't think you understand the gravity of this emergency. I'll share with you the story of a boy I grew up with, who committed suicide in his mouldy house across the way. He was my neighbour. They believed there was never going to be a chance for him to grow up. We have no time to wait for this.

To the Liberal whip's office, you need to understand that this is an emergency. Your amendments, your procedural tactics to delay and your filibustering are not appreciated. This is a serious issue that I believe we can actually be non-partisan on if only the government were to see this as an important issue to follow up on that requires all of our attention.

I need that from the governing members here, who are members of the public accounts committee and who've been told by the Auditor General that this is an emergency but are requesting more time. Simply, Mr. Chair, I cannot allow for that kind of excuse.

The minister owes a responsibility to indigenous people. She is the minister of the Crown responsible for this immense emergency, and the government and the Liberal Party need to understand that three weeks is already generous when we have people who are waiting in mouldy homes. I'm not okay with sleeping every night knowing that other people in our country are either sleeping in mouldy homes, sleeping on the street or dying. The minister and the government had 20 years. We have no more time to wait.

Mr. Chair, I do not entertain the amendment for those reasons, and I hope our colleagues can understand the urgency of this and why the minister must be present.

● (1745)

The Chair: Thank you, Mr. Desjarlais.

Clerk, please call the roll call on the amendment to the motion.

The vote is five-five. I will vote no as well.

(Amendment negatived: nays 6; yeas 5 [See Minutes of Proceedings])

The Chair: We're returning to the motion at hand as tabled by Mr. Desjarlais.

I see no speakers. Please call the vote.

(Motion agreed to: yeas 10; nays 0 [See Minutes of Proceedings])

The Chair: As you know, as a committee we cannot order or compel the minister to attend. I will do my utmost to see that the minister receives our unanimous agreement that she appear here within three weeks. I will press, Mr. Desjarlais, the importance of this matter. I will do so firmly.

As chair, if we agree on a date outside of that and I am instructed that this is the only time, I will accept that. I will say this: If this falls on a recess, this is on you this time, not me.

With that, I will remind subcommittee members that tomorrow's meeting is cancelled.

We will be turning to "Report 4: National Trade Corridors Fund—Transport Canada" on Tuesday.

This meeting is adjourned.

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